UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended April 2, 2011

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to ______.

Commission file number: 0-14938

STANLEY FURNITURE COMPANY, INC.

(Exact name of registrant as specified in its charter)

Delaware	**54-1272589**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1641 Fairystone Park Highway, Stanleytown, Virginia 24168
(Address of principal executive offices, Zip Code)

(276) 627- 2010
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes (x) No ( )

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ( ) No ( )

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act, (check one):
Large accelerated filer ( ) Accelerated filer ( ) Non-accelerated filer (X) Smaller reporting company ( )
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ( ) No (x)

As of April 22, 2011 14,344,679 shares of common stock of Stanley Furniture Company, Inc., par value $.02 per share, were outstanding.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

STANLEY FURNITURE COMPANY, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	April 2, 2011	December 31, 2010
ASSETS		
Current assets:		
Cash	**$ 22,314**	$ 25,532
Accounts receivable, less allowances of $900 and $1,240	**12,280**	9,888
Inventories:		
Finished goods	**18,904**	20,855
Work-in-process	**1,669**	1,709
Raw materials	**2,191**	3,131
Total inventories	**22,764**	25,695
Income tax receivable	**4,020**	3,952
Prepaid expenses and other current assets	**4,231**	5,883
Deferred income taxes	**704**	1,021
Total current assets	**66,313**	71,971
Property, plant and equipment, net	**16,004**	15,980
Other assets		445
Total assets	**$82,317**	$ 88,396
LIABILITIES		
Current liabilities:		
Accounts payable	**7,412**	$ 9,116
Accrued salaries, wages and benefits	**5,212**	4,805
Other accrued expenses	**2,476**	2,921
Lease related obligation	**2,389**	2,360
Total current liabilities	**17,489**	19,202
Deferred income taxes	**704**	1,021
Other long-term liabilities	**6,326**	6,378
Total liabilities	**24,519**	26,601
STOCKHOLDERS' EQUITY		
Common stock, $.02 par value, 25,000,000 shares authorized and 14,344,679 shares issued and outstanding	**287**	287
Capital in excess of par value	**14,399**	14,433
Retained earnings	**43,133**	47,062
Accumulated other comprehensive (loss) income	**(21)**	13
Total stockholders' equity	**57,798**	61,795
Total liabilities and stockholders' equity	**$82,317**	$ 88,396

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY FURNITURE COMPANY, INC.
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

	Three Months Ended	
	April 2, 2011	April 3, 2010
Net sales	**$ 26,571**	$ 36,524
Cost of sales	**24,886**	39,563
Gross profit (loss)	**1,685**	(3,039)
Selling, general and administrative expenses	**5,121**	5,470
Goodwill impairment charge	**_**	9,072
Operating loss	**(3,436)**	(17,581)
Other income, net	**29**	15
Interest income		2
Interest expense	**538**	1,058
Loss before income taxes	**(3,945)**	(18,622)
Income tax (benefit) expense	**(16)**	451
Net loss	**$ (3,929)**	$(19,073)
Loss per share:		
Basic	**$ (.27)**	$ (1.85)
Diluted	**$ (.27)**	$ (1.85)
Weighted average shares outstanding:		
Basic	**14,345**	10,335
Diluted	**14,345**	10,335

The accompanying notes are an integral part of the consolidated financial statements.

STANLEY FURNITURE COMPANY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOW
(in thousands)

	Three Months Ended	
	April 2, 2011	April 3, 2010
Cash flows from operating activities:		
Cash received from customers	**$ 24,139**	$ 35,594
Cash paid to suppliers and employees	**(28,330)**	(43,748)
Interest paid, net		(1)
Income taxes (paid) received, net	**(52)**	3
Net cash used by operating activities	**(4,243)**	(8,152)
Cash flows from investing activities:		
Capital expenditures	**(409)**	(2)
Purchase of other assets	**(38)**	(146)
Proceeds from sale of assets	**1,472**	
Net cash provided (used) by investing activities	**1,025**	(148)
Cash flows from financing activities:		
Proceeds from exercise of stock options		119
Net cash provided by financing activities		119
Net decrease in cash	**(3,218)**	(8,181)
Cash at beginning of period	**25,532**	41,827
Cash at end of period	**$ 22,314**	$ 33,646
Reconciliation of net loss to net cash used by operating activities:		
Net loss	**$ (3,929)**	$(19,073)
Goodwill impairment charge		9,072
Depreciation and amortization	**387**	1,042
Deferred income taxes		1,307
Stock-based compensation	**8**	181
Changes in assets and liabilities:		
Accounts receivable	**(2,392)**	(826)
Inventories	**2,931**	1,735
Income tax receivable	**(68)**	(861)
Prepaid expenses and other current assets	**179**	192
Accounts payable	**(1,704)**	(394)
Accrued salaries, wages and benefits	**331**	(1,124)
Other accrued expenses	**(444)**	175
Other assets	**510**	482
Other long-term liabilities	**(52)**	(60)
Net cash used by operating activities	**$ (4,243)**	$ (8,152)

The accompanying notes are an integral part of the consolidated financial statements.

(in thousands, except per share data)

1. Preparation of Interim Unaudited Consolidated Financial Statements

The consolidated financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). In our opinion, these statements include all adjustments necessary for a fair presentation of the results of all interim periods reported herein. All such adjustments are of a normal recurring nature. Certain information and footnote disclosures prepared in accordance with generally accepted accounting principles have been either condensed or omitted pursuant to SEC rules and regulations. However, we believe that the disclosures made are adequate for a fair presentation of results of operations and financial position. Operating results for the interim periods reported herein may not be indicative of the results expected for the year. We suggest that these consolidated financial statements be read in conjunction with the consolidated financial statements and accompanying notes included in our latest Annual Report on Form 10-K.

Certain prior period amounts have been reclassified to conform with current period presentation. The costs to warehouse and prepare goods for shipping to customers have been reclassified from selling, general and administrative expense to cost of sales.

2. Property, Plant and Equipment

	April 2, 2011	December 31, 2010
Land and buildings	**$ 19,096**	$ 19,096
Machinery and equipment	**25,828**	24,780
Office furniture and equipment	**1,168**	1,168
Construction in process	**500**	1,139
Property, plant and equipment, at cost	**46,592**	46,183
Less accumulated depreciation	**30,588**	30,203
Property, plant and equipment, net	**$ 16,004**	$ 15,980

3. Income taxes

During the three months of 2011, we recorded a non-cash charge to our valuation allowance of $1.6 million increasing our valuation allowance against deferred tax assets to $13.2 million at April 2, 2011. The primary assets which are covered by this valuation allowance are the net operating losses. The valuation allowance was calculated in accordance with the provisions of ASC 740, Income Taxes, which requires an assessment of both positive and negative evidence when measuring the need for a valuation allowance. Our results over the most recent three-year period were heavily affected by our business restructuring activities. Our cumulative loss in the most recent three-year period, in our view, represented sufficient negative evidence to require a valuation allowance under the provisions of ASC 740, Income Taxes. We intend to maintain a valuation allowance until sufficient positive evidence exists to support its reversal. Although realization is not assured, we have concluded that the remaining net deferred tax asset in the amount of $704,000 will be realized based on the reversal of existing deferred tax liabilities. The amount of the deferred tax assets actually realized, however, could vary if there are differences in the timing or amount of future reversals of existing deferred tax liabilities. Should we determine that we will not be able to realize all or part of our deferred tax asset in the future, an adjustment to the deferred tax asset will be charged to income in the period such determination is made.

4. **Employee Benefits Plans**

Components of other postretirement benefit cost:

	Three Months Ended	
	April 2, 2011	April 3, 2010
Interest cost	**$ 40**	$ 47
Amortization of prior service cost	**(42)**	(38)
Amortization of accumulated loss	**8**	18
Net periodic postretirement benefit cost	**$ 6**	$ 27

5. **Stockholders' Equity**

Basic earnings per common share are based upon the weighted average shares outstanding. Outstanding stock options are treated as potential common stock for purposes of computing diluted earnings per share. Basic and diluted earnings per share are calculated using the following share data:

	Three Months Ended	
	April 2, 2011	April 3, 2010
Weighted average shares outstanding for basic calculation	**14,345**	10,335
Add: Effect of dilutive stock options		
Weighted average shares outstanding, adjusted for diluted calculation	**14,345**	10,335

In the 2011 and 2010 first quarter periods, the dilutive effect of stock options is not recognized since we have a net operating loss. Approximately 1.9 million shares in 2011 and 1.6 million shares in 2010 are issuable upon the exercise of stock options, which were not included in the diluted per share calculation because they were anti-dilutive.

A reconciliation of the activity in Stockholders' Equity accounts for the quarter ended April 2, 2011 is as follows:

	Common Stock	Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Loss
Balance, December 31, 2010	$ 287	$ 14,433	$ 47,062	$ 13
Net loss			**(3,929)**	
Fees related to issuance of stock		**(40)**		
Stock-based compensation		**6**		
Adjustment to net periodic benefit cost				**(34)**
Balance, April 2, 2011	**$ 287**	**$ 14,399**	**$ 43,133**	**$ (21)**

The components of other comprehensive income are as follows:

	Three Months Ended	
	April 2, 2011	April 3, 2010
Net loss	**$(3,929)**	$(19,073)
Adjustment to net periodic benefit cost	**34**	(13)
Comprehensive loss	**$(3,895)**	$(19,086)

6. **Restructuring and Related Charges**

In 2010, we completed a major restructuring plan that ceased all production at our Stanleytown, Virginia manufacturing facility and consisted of the conversion of a portion of this facility to a warehousing and distribution center.

In 2009, we consolidated certain warehousing operations and ceased operating a free standing warehouse facility, eliminated certain positions through early retirement incentives and layoffs, and discontinued a significant number of slow moving items that led to a write-down of inventories.

Restructuring accrual activity for the three months ending April 2, 2011 was as follows:

	Severance and other termination costs	Other Cost	Total
Accrual at January 1, 2011	$ 1,239	$ 730	$ 1,969
Charges and adjustments to expense	**5**	**(36)**	**(31)**
Cash payments	**(368)**	**(152)**	**(520)**
Accrual at April 2, 2011	**$ 876**	**$ 542**	**$ 1,418**

Restructuring accrual activity for the three months ending April 3, 2010 was as follows:

	Severance and other termination costs	Other Cost	Total
Accrual at January 1, 2010	$ 1,070		$ 1,070
Charges to expense		$ 24	24
Cash payments	(532)	(24)	(556)
Accrual at April 3, 2010	$ 538	$	$ 538

The restructuring accrual for severance and other employee termination cost is classified as “Other accrued expenses”.

ITEM 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

In this next section we will make comparisons between the following periods, which we believe are relevant to understanding trends in our business:

- The current quarter ended April 2, 2011 in comparison to the comparable quarter of the prior year (comparable quarter) ended April 3, 2010.
- Certain comparisons with the three months ended December 31, 2010 (previous quarter) are provided where we believe it is useful to understand current trends.

Results of Operations

The selected financial data for the periods presented may not be indicative of our future financial condition or results of operations.

	Three Months Ended					
	April 2, 2011 (current quarter)		Dec 31, 2010 (previous quarter)		April 3, 2010 (comparable quarter)	
Net sales	**$26,571**	**100.0%**	27,689	100.0%	$36,524	100.0%
Cost of sales	**24,886**	**93.7%**	33,711	121.7%	39,563	108.3%
Gross Profit	**1,685**	**6.3%**	(6,022)	-21.7%	(3,039)	-8.3%
Selling, general and administrative costs	**5,121**	**19.3%**	4,363	15.8%	5,470	15.0%
Goodwill impairment charge					9,072	24.8%
Operating income	**(3,436)**	**-12.9%**	(10,385)	-37.5%	(17,581)	-48.1%
Other income, net	**(29)**	**-0.1%**	(1,562)	-5.6%	(15)	-0.0%
Interest expense, net	**538**	**2.0%**	707	2.6%	1,056	2.9%
Loss before income taxes	**(3,945)**	**-14.8%**	(9,530)	-34.4%	(18,622)	-51.0%
Income taxes	**(16)**	**0.1%**	(1,206)	-4.4%	451	1.2%
Net loss	**$(3,929)**	**-14.8%**	(8,324)	-30.1%	$(19,073)	-52.2%

Net sales decreased $1.1 million, or 4.0%, in the current quarter compared to the previous quarter and decreased $10.0 million, or 27.3%, compared to the prior year quarter. The decrease in sales from the previous quarter was due primarily to lower unit volume as our order backlog grew $2.2 million during the first quarter of 2011. We expect our order backlog to narrow as the flow of our product improves over the next few quarters. The decrease in sales from the comparable prior year quarter was due primarily to lower unit volume, resulting from what we believe to be a loss of market share and continued weakness in demand for our price segment of residential wood furniture. We believe the loss of market share resulted from the transition caused by the major restructuring of our business. Partially offsetting the unit decline in the current quarter compared to the prior year quarter was higher average selling prices for our Young America products, implemented June 2010.

Gross profit for the current quarter of 2011 improved by $7.7 million compared to the previous quarter and improved $4.7 million from the comparable prior year quarter of 2010. Included in cost of goods sold in the current quarter is restructuring and related expense of $768,000 compared to $4.9 million in the previous quarter and $24,000 in the comparable prior year quarter of 2010. The remaining margin improvement for both comparisons resulted primarily from the transition of our Stanley Furniture product line to a fully offshore sourcing model eliminating a majority of our fixed costs at this domestic facility. Also contributing to the improved margins was improved operating efficiencies in the manufacturing of our Young America products. Increased selling prices in the second half of 2010 on our Young America products also contributed to the improved margins for the current quarter in comparison to the comparable prior year quarter of 2010.

Selling, general and administrative expenses for the current quarter increased $758,000 compared to the previous quarter and decreased $349,000 from the comparable prior year quarter. The increase from the previous quarter related primarily to higher marketing and advertising cost and to a lesser extent higher bad debt expense. The decrease from the comparable prior year quarter was due primarily to lower selling expenses resulting from decreased sales and was partially offset by higher marketing and advertising cost. These higher marketing and advertising cost are expected to continue for the remainder of 2011.

During the first quarter of 2010, we completed an impairment analysis of goodwill and recognized an impairment charge of the $9.1 million, the entire amount of goodwill associated with the business.

Interest expense for the current quarter decreased compared to both the previous quarter and the comparable prior year quarter due to the payoff of all outstanding term debt in late 2010. The current period interest is on insurance policy loans from a legacy deferred compensation plan and is a non-cash charge.

Our effective tax rate for the current quarter is essentially zero since we have used all of our available carry back income and have established a valuation allowance for our deferred tax assets in excess of our deferred tax liabilities. We expect this trend to continue for the remainder of the year.

Financial Condition, Liquidity and Capital Resources

Sources of liquidity include cash on hand and cash generated from operations. We expect cash on hand to be adequate for ongoing expenditures and capital spending for 2011 in the event we do not generate cash from operations. Working capital, excluding cash, decreased during the current quarter to $26.5 million from $27.2 million at December 31, 2010. The decrease was primarily due to lower inventories, partially offset by higher accounts receivable. Subsequent to quarter end, we received a $3.1 million tax refund.

Cash used by operations was $4.2 million in the current quarter of 2011 compared to cash used of $8.2 million in the comparable prior year quarter. The decrease in cash used by operations was primarily due to lower cash paid to suppliers and employees resulting from savings related to our operational transitions of our Stanley Furniture product line and increased prices on our Young America product line. These improvements were partially offset by a decrease in cash received from customers due to lower sales.

Net cash provided by investing activities was $1.0 million in the current quarter compared to cash used by investing activities of $148,000 in the comparable prior year quarter. Sale of assets provided cash of $1.5 million in the first quarter of 2011 and we invested $409,000 for normal capital expenditures. Capital expenditures in 2011 are anticipated to be in the range of $1.5 million to $2.0 million.

Continued Dumping and Subsidy Offset Act (CDSOA)

We recorded income of $1.6 million, $9.3 million, and $11.5 million in 2010, 2009, and 2008, respectively, from CDSOA payments and other related payments, net of legal expenses. These payments came from the case involving Wooden Bedroom Furniture imported from China. The CDSOA provides for distribution of monies collected by U.S. Customs and Border Protection (CBP) for imports covered by antidumping duty orders entering the United States through September 30, 2007 to qualified affected domestic producers. Antidumping duties for merchandise entering the U.S. after September 30, 2007 remain with the U.S. Treasury.

Approximately $152 million of CDSOA funds that otherwise would have been available for distribution to qualifying affected domestic producers of wooden bedroom furniture were withheld by the government over the past five years as a result of holdings in two court cases involving challenges to the CDSOA on constitutional grounds. In 2009, the U.S. Court of Appeals for the Federal Circuit determined in one of those cases that the CDSOA does not violate the Constitution's free speech and equal protection guarantees. In May 2010, the U.S. Supreme Court denied a petition for certiorari that sought review of the Federal Circuit's decision. In 2010, the Federal Circuit also summarily dismissed the constitutional claims in the second of the two court cases. Eighteen other CDSOA-related cases are pending before the U.S. Court of International Trade. The resolution of these cases will have a significant impact on the amount of CDSOA funds that may be distributed to qualifying affected domestic producers of wooden bedroom furniture. Based on our allocation of the CDSOA funds distributed in each of the past five years, however, we could receive approximately $41 million of the funds set aside by the government, although the extent to which such distributions ultimately may be received is uncertain.

According to CBP, as of October 1, 2010, approximately $13 million in duties had been secured by cash deposits and bonds on unliquidated entries of wooden bedroom furniture that are subject to the CDSOA, and this amount is potentially available for distribution under the CDSOA to eligible domestic manufacturers in connection with the case involving wooden bedroom furniture imported from China. The amount ultimately distributed will be impacted by the annual administrative review process, which can retroactively increase or decrease the actual duties owed on entries secured by cash deposits and bonds, and by appeals concerning the results of the annual administrative reviews. Assuming our percentage allocation in future years is the same as it was for the 2010 distribution (approximately 30% of the funds distributed) and the $13 million collected by the government as of October 1, 2010 does not change as a result of the annual administrative review process or otherwise, we could receive approximately $1 million to $4 million in CDSOA funds in addition to the funds held back and withheld pending the final resolution of the court cases discussed above.

Due to the uncertainty of the various legal and administrative processes, we cannot provide assurances as to the amount of additional CDSOA funds that ultimately will be received, if any, and we cannot predict when we may receive any additional CDSOA funds.

Critical Accounting Policies

There have been no material changes to our critical accounting policies and estimates from the information provided in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations", included in our 2010 Annual Report on Form 10-K.

Forward-Looking Statements

Certain statements made in this report are not based on historical facts, but are forward-looking statements. These statements can be identified by the use of forward-looking terminology such as "believes," "estimates," "expects," "may," "will," "should," or "anticipates," or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy. These statements reflect our reasonable judgment with respect to future events and are subject to risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Such risks and uncertainties include our success in profitably producing Young America products in our domestic manufacturing facility, disruptions in offshore sourcing including those arising from supply or distribution disruptions or those arising from changes in political, economic and social conditions, as well as laws and regulations, in countries from which we source products, international trade policies of the United States and countries from which we source products, our success in transitioning our adult product line to offshore vendors, the inability to raise prices in response to inflation and increasing costs, lower sales due to worsening of current economic conditions, the cyclical nature of the furniture industry, failure to anticipate or respond to changes in consumer tastes and fashions in a timely manner, business failures or loss of large customers, competition in the furniture industry including competition from lower-cost foreign manufacturers, the inability to obtain sufficient quantities of quality raw materials in a timely manner, environmental, health, and safety compliance costs, and extended business interruption at our manufacturing facility. In addition, we have made certain forward looking statements with respect to payments we expect to receive under the Continued Dumping and Subsidy Offset Act, which are subject to the risks and uncertainties described in our discussion of those payments that may cause the actual payments to differ materially from those in the forward looking statements. Any forward-looking statement speaks only as of the date of this filing, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new developments or otherwise.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

None of our foreign sales or purchases are denominated in foreign currency and we do not have any foreign currency hedging transactions. While our foreign purchases are denominated in U.S. dollars, a relative decline in the value of the U.S. dollar could result in an increase in the cost of our products obtained from offshore sourcing and reduce our earnings or increase our losses, unless we are able to increase our prices for these items to reflect any such increased cost.

ITEM 4. Controls and Procedures

(a) Evaluation of disclosure controls and procedures. Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the Exchange Act). Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this quarterly report.

(b) Changes in internal controls over financial reporting. There were no changes in our internal control over financial reporting that occurred during the first quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II. OTHER INFORMATION

Item 6. Exhibits

3.1 Restated Certificate of Incorporation of the Registrant as amended (incorporated by reference to Exhibit 3.1 to the Registrant's Form 10-Q (Commission File No. 0-14938) for the quarter ended July 2, 2005).

3.2 By-laws of the Registrant as amended (incorporated by reference to Exhibit 3.1 to the Registrant's Form 8-K (Commission File No. 0-14938) filed February 3, 2010).

31.1 Certification by Glenn Prillaman, our Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.(1)

31.2 Certification by Micah S. Goldstein, our Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (1)

32.1 Certification of Glenn Prillaman, our Chief Executive Officer, pursuant to 18 U. S. C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002. (1)

32.2 Certification of Micah S. Goldstein, our Chief Financial Officer, pursuant to 18 U. S. C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002. (1)

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(1) Filed herewith

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: April 26, 2011

STANLEY FURNITURE COMPANY, INC.
By: /s/ Micah S. Goldstein
Micah S. Goldstein
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 31.1

I, Glenn Prillaman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Stanley Furniture Company, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods in this report.

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 26, 2011

/s/ Glenn Prillaman
Glenn Prillaman
Chief Executive Officer

Exhibit 31.2

I, Micah S. Goldstein, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Stanley Furniture Company, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods in this report.

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 26, 2011

/s/Micah S. Goldstein
Micah S. Goldstein
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Stanley Furniture Company, Inc. (the "Company") Quarterly Report on Form 10-Q for the period ended April 2, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Glenn Prillaman, Chief Executive Officer of the Company certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1). The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2). The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 26, 2011

/s/ Glenn Prillaman
Glenn Prillaman
Chief Executive Officer

Exhibit 32.2

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Stanley Furniture Company, Inc. (the “Company”) Quarterly Report on Form 10-Q for the period ended April 2, 2011 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Micah S. Goldstein, Chief Financial Officer of the Company certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1). The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2). The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 26, 2011

/s/ Micah S. Goldstein
Micah S. Goldstein
Chief Financial Officer